

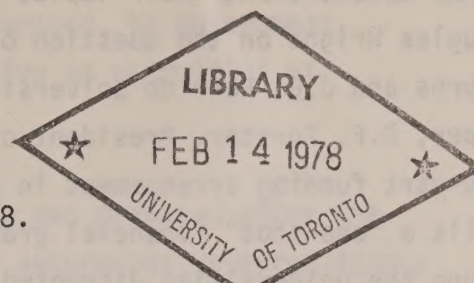


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EMERGING PROBLEMS IN POST-SECONDARY EDUCATION, the second in a series of discussion papers published by the Ontario Economic Council. Copies are available only at the Ontario Government Bookstore, 880 Bay Street, Toronto, Ontario M7A 1N8. Price: \$2.00

TORONTO, February 8 -- Ontario is lacking a basic educational philosophy for universities in today's society, says York University President Ian Macdonald in a discussion paper, Emerging Problems in Post-Secondary Education, published today by the Ontario Economic Council.

This discussion paper, part of the summary of the proceedings of a two-day seminar sponsored by the Council in May, 1977, says universities are behaving as if the general policy of open access of the 1960's was still intended, an attitude inconsistent with current government financing policy.

Mr. Macdonald, one of a number of contributors to the proceedings, says universities must be in a position to respond firmly and positively to the public. He calls for the initiation of dialogue with the public and says the Ministry of Colleges and Universities, the Ontario Council on University Affairs and universities must get together to discuss a basic policy agreement.

Many of Mr. Macdonald's remarks deal with his view of the four main issues facing universities today: Will they remain autonomous or become more dependent on government? Should universities be concerned with their own self-interest or with relevance? Should the university system be elitist or egalitarian? Should the best strategy be one of confrontation or cooperation?

Other speakers and their topics at the seminar were Stefan Dupré and Douglas Wright on the question of tuition fees in Ontario and A.N. Bourns and J.G. Parr on universities' support of research. In a fourth paper, D.F. Forster, President of the University of Guelph, proposes a two-part funding arrangement in a capital funding policy. The first he calls a "one-shot" financial grant to restore the balance and equity among the universities disrupted when the capital freeze began in 1972.

His second proposal, dealing with the development of a system of on-going capital funding, concludes that the government should annually set aside an amount equal to at least one percent of the Ontario universities' capital inventory for this purpose.

Benson Wilson, Assistant Deputy Minister of Colleges and Universities, suggests in his remarks, however, the capital funding formula might be too complicated to make it useful for administrative purposes and proposes a continuation of the existing, somewhat arbitrary, system.

A.N. Bourns, President at McMaster University, reviews why universities support research and describes three levels of research. The first is the level required to provide sound undergraduate work, the second is requisite for a good graduate program, and the third is the level which goes beyond what is necessary for education and manpower training objectives.

In his model for funding research, Dr. Bourns believes the funding for the first level of research should remain the responsibility of the provincial government. On the graduate level, he proposes that the direct and indirect costs, exclusive of faculty costs, be assumed by sponsoring agencies. Dr. Bourns proposes that the third level be broken into two groups, contract research, whose total costs, including salaries, be paid for by the contracting agency, and basic research, whose funding should be shared between the sponsors of the research, usually the federal government and province.

On the subject of tuition fees, Dr. Stefan Dupré of the University of Toronto, outlines three basic issues in fee determination: equity among students, other issues of equity and institutional fee autonomy. According

to Dr. Dupré, "tuition fee determination in Ontario, together with student assistance policy, has steadfastly pursued, by Government direction, a path along which total inattention to principles of equity have prevailed."

Emerging Problems in Post-Secondary Education was prepared under the auspices of the Ontario Economic Council, an autonomous research agency funded by the Province of Ontario. The Council acts as an independent advisor to government and all political parties, undertakes research and policy studies to encourage the optimum development of the human and material resources of Ontario, and to support the advancement of all sectors of the Province. The Council achieves these goals by sponsorship of research projects, publication of studies, and organization of the Outlook and Issues conferences and seminars which are open to the public.

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NOTE: A list of persons to contact for further information and a selection of quotations from the study are attached.

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EMERGING PROBLEMS IN POST-SECONDARY EDUCATION is available only at the Ontario Government Bookstore, 880 Bay Street, Toronto, Ontario M7A 1N8. Price: \$2.00. A cheque or money order payable to the Treasurer of Ontario must accompany all mail orders.

OTHER RESEARCH REPORTS prepared for the Ontario Economic Council can be obtained from the University of Toronto Press, 5201 Dufferin Street, Downsview, Ontario M3H 5T8, at major booksellers, or from the Ontario Government Bookstore at the address above.

SELECTED QUOTATIONS

Mr. Macdonald's paper "Ultimately the autonomy which we wish to preserve is the traditional freedom of inquiry and the traditional sense of academic freedom. I believe that the real threat is not so much the explicit prospect of government interference as it is the draining away of time, energy and activity into dealing with the complicated statutory process and consequent legal obligations." (Page 19)

"What we surely require is a much greater measure of co-operation than ever before between governments and universities, and more frankness and candour in understanding each other's problems and responsibilities." (Page 22)

Dr. Dupré's paper "A paper of this scope is hardly the appropriate forum for a review of the fiscal incidence of Government revenues and expenditures in Ontario. The changing incidence of these revenues and expenditures in the last half-dozen years may well have improved the equity of these revenues and expenditures as a whole. If this has been accomplished, however, it has not been because of changes in university financing. In that specific realm, a telling case in point is the shelter that tuition fees have enjoyed from inflationary pressures and the consequent additional subsidy to students vis-à-vis taxpayers generally.... The cumulative total is \$71.6 million. Whatever the deficiencies in the existing student assistance programs, an alternative policy of indexing fees might have been accompanied by increases in OSAP grants to offset the higher fees. Had this been the case, and transferring by rule of thumb 40 percent of the foregone saving in operating grants to OSAP, there would remain a net saving of over \$41 million." (Pgs. 53-54)

Dr. Wright's paper "The most forbidding signal to date in Ontario was contained in Mr. McKeough's most recent budget where he projected a target of a balanced budget for Ontario in three years' time, with total expenditure increments in the next three years respectively of 6.3, 6.3 and 6.0 per cent. The big issue at Queen's Park is that if indeed such a target is to be achieved, how is it to be managed: whether the total cost as well as the public share of the cost of the various enterprises, now largely supported by provincial grants (schools, hospitals, colleges,

universities and so forth) will both be constrained together, or whether the total cost will be allowed to increase somewhat more rapidly than the provincial contribution by allowing other sources of finance to be used." (Page 64)

Mr. Forster's paper "One method by which government might be persuaded that universities and other post-secondary institutions were behaving in a responsible fashion would be to have government give post-secondary institutions access to debentures for capital funding, but make access conditional upon the institutions raising some of the funds required from the private sector. Many would object to such a proposal on the grounds that the older institutions have a better chance of raising funds from the private sector, since they are better known and have larger alumni bodies. This is certainly true but, on the other hand, these same institutions are experiencing the greatest problems with the age and quality of their existing physical plant. Another question must be answered at the policy level and that is whether all types of institutional space would be eligible for debenture support, and whether the support would be the same for types of space. Again, a policy would have to be developed on the percentage of funding which would have to be raised by the universities." (Pgs. 87-88)

Mr. Wilson's paper "... I ... really have only laid out what I think are three questions that we should be discussing. These are, what is and should be the fundamental relationship between running maintenance and capital needs? I'm not sure that we've got that one clarified in our own minds at all. Secondly can and should, particularly in times of financial constraint, a formula be introduced to replace judgment in capital allocation? And then how do senior university administrators adjudicate between the conflicting claims of faculty and staff on the one hand, and capital or maintenance needs on the other hand? I guess to put it in its most pejorative sense, how really thoroughly do university administrators accept and want to assume the other side of autonomy - that's the responsibility for some tough internal resource allocation problems." (Pgs. 93-94)

Dr. Bourns' paper ("Funding of research beyond the level required for teaching.) This is the category in which the questions of how much research and how its costs should be shared become especially difficult

to answer. In the case of contract research directed toward the solution of some immediate and practical problem, then the total costs, including salaries, should be paid by the contracting agency whether this is a department of the federal government, the provincial government or industry. On the other hand, the costs of basic research at this level, whether mission-related or not, should be shared between the sponsors of the research, usually the federal government and the province; the former because of its broad national interest in the output of the research and the latter because of a provincial responsibility for the overall quality and research capacity of its universities." (Page 117)

Dr. Parr's paper "I don't think that the suggestions for dividing the money bag really come to grips with the basic questions. Let me summarize what I think they are. First, how much research: surely not that indiscriminate amount which varies with the size of the professorial establishment. Second, what sort of research? Third, for whose benefit is the research? Fourth, what are the measures of quality? Fifth, what are the rewards for reflective enquiry? Sixth, by what means are graduate students assured of being more than foot soldiers?" (Page 130)